

COMPARISON OF ACTUAL COSTS TO BCM2 COSTS BY LEC

	<u>SWBT Study - Estimated Actual</u>		<u>Proxy BCM2 Costs</u>		<u>Proxy</u>
	<u>Local Exchange Costs *</u>				<u>HATFIELD Study</u>
	<u>USF Loops</u>	<u>per Loop,</u>	<u>Lines</u>	<u>per Line,</u>	<u>Release 2.2,</u>
		<u>Per Mo.</u>		<u>Per Mo.</u>	<u>Version1,</u>
					<u>AT&T - 7/3/96</u>
<u>PENNSYLVANIA</u>					
ALLTEL PA BROOKVL	32,216	\$44.39	44,548	\$53.07	NA
ALLTEL PA MURRAYSVL	28,281	\$36.96	4,128	\$46.99	NA
ALLTEL PENNA INC	NA **	NA **	210,852	\$38.89	NA
ARMSTRONG TEL CO NO	1,488	\$50.68	776	\$61.43	NA
ARMSTRONG TEL CO PA	NA **	NA **	2,899	\$46.41	NA
BELL ATLANTIC MD INC	NA **	NA **	1,291	\$80.68	NA
BELL ATLANTIC PA INC	5,478,057	\$33.82	6,088,484	\$25.58	NA
BUFFALO VLLY TEL CO	NA **	NA **	19,404	\$36.75	NA
CITIZENS TELECOM NY	NA **	NA **	1,020	\$73.26	NA
COMMONWEALTH TEL CO	NA **	NA **	229,840	\$42.65	NA
CONESTOGA TEL & TEL	NA **	NA **	47,390	\$36.20	NA
CONTEL PA DBA GTE PA	53,966	\$35.53	69,506	\$33.47	NA
CTZNS TEL OF KECKSBG	NA **	NA **	6,316	\$40.05	NA
DENVER & EPHRATA TEL	NA **	NA **	58,285	\$28.37	NA
FRONTIER CM BREEZWD	3,717	\$43.37	5,928	\$70.97	NA
FRONTIER CM CANTON	3,368	\$33.47	3,397	\$44.63	NA
FRONTIER CM LAKEWD	1,373	\$34.96	572	\$63.10	NA
FRONTIER CM OSWAYO	2,038	\$41.35	2,383	\$58.29	NA
FRONTIER COMM OF PA	22,626	\$24.76	26,379	\$30.20	NA
GTE OF PA INC	453,081	\$37.46	611,387	\$31.80	NA
HANCOCK TEL CO - NY	NA **	NA **	214	\$124.66	NA
HICKORY TEL	NA **	NA **	1,204	\$57.24	NA
IRONTON TEL CO	3,266	\$37.84	6,589	\$36.04	NA
LACKAWAXEN TEL CO	3,143	\$32.82	800	\$58.57	NA
LAUREL HIGHLD TEL	NA **	NA **	4,235	\$57.21	NA
MAHANoy & MAHANTANGO	3,678	\$42.48	6,271	\$70.75	NA
MARIANNA&SCENERY HL	2,513	\$37.84	4,216	\$53.32	NA
N PITTSBURGH TEL CO	52,506	\$37.84	66,573	\$32.92	NA
NORTH PENN TEL CO	4,427	\$44.89	3,861	\$63.61	NA
PALMERTON TEL CO	NA **	NA **	17,844	\$39.14	NA
PENNA TEL CO	1,166	\$37.84	1,799	\$74.44	NA
PYMATUNING IND TEL	NA **	NA **	5,716	\$45.79	NA
QUAKER STATE TEL CO	36,478	\$32.77	42,514	\$52.12	NA
SOUTH CANAAN TEL	1,862	\$37.84	2,193	\$49.60	NA
SUGAR VALLEY TEL	1,001	\$47.49	1,089	\$87.84	NA
THE BENTLEYVILLE TEL	NA **	NA **	2,953	\$34.09	NA
THE NORTHEAST PA TEL	9,555	\$37.84	9,140	\$51.16	NA
TUOLUMNE ALLTEL PA	NA **	NA **	3,921	\$55.42	NA
UNITED TEL CO OF PA	322,507	\$35.00	418,995	\$37.59	NA
VENUS TEL CORP	1,154	\$37.84	1,735	\$54.81	NA
YUKON-WALTZ TEL CO	NA **	NA **	2,034	\$41.09	NA
<u>TOTAL PENNSYLVANIA</u>	6,523,467	\$34.25	8,038,681	\$28.40	\$13.11

* Estimated based on the following data sources:

- USF Data - 1993 Data
- Joint Board Data Request - 1993 Data
- Monitoring Report for Traffic Data (DEM) - 1993 Data
- REA Financial Data - 1993 Data

** Could not estimate because REA Total Cost information was not available

SWBT--MISSOURI
COMPARISON OF ACTUAL SWBT LOCAL EXCHANGE COST
BY WIRE CENTER TO BCM 2 COSTS BY WIRE CENTER

Exchange #	SWBT Study per Line, per Mo.	BCM2 Study per Line, per Mo.
1	\$294.41	\$34.14
2	\$249.01	n/a
3	\$226.16	\$60.99
4	\$195.93	\$112.87
5	\$179.93	\$63.65
6	\$175.51	\$61.59
7	\$169.12	\$87.19
8	\$170.59	\$67.37
9	\$171.85	\$66.73
10	\$182.19	\$26.18
11	\$155.03	\$89.73
12	\$156.09	\$63.05
13	\$152.37	\$65.30
14	\$154.85	\$94.03
15	\$150.44	n/a
16	\$140.78	\$60.88
17	\$137.35	\$70.89
18	\$139.08	\$63.80
19	\$137.41	\$67.47
20	\$135.93	\$61.19
21	\$132.12	\$54.08
22	\$135.61	\$47.09
23	\$126.89	\$104.89
24	\$139.83	\$36.35
25	\$137.90	\$54.16
26	\$130.29	\$83.11
27	\$119.89	\$53.69
28	\$120.30	\$40.94
29	\$114.05	\$43.95
30	\$114.40	\$58.41
31	\$116.92	\$78.47
32	\$109.94	\$91.21
33	\$106.79	\$64.92
34	\$104.01	\$49.63
35	\$105.11	\$57.32
36	\$105.17	\$63.80
37	\$104.12	\$63.69
38	\$106.44	\$83.37
39	\$102.33	\$58.30

SWBT--MISSOURI
COMPARISON OF ACTUAL SWBT LOCAL EXCHANGE COST
BY WIRE CENTER TO BCM 2 COSTS BY WIRE CENTER

Exchange #	SWBT Study per Line, per Mo.	BCM2 Study per Line, per Mo.
40	\$100.19	\$69.04
41	\$98.90	\$61.38
42	\$97.96	\$52.25
43	\$97.09	\$67.99
44	\$100.41	\$39.95
45	\$98.15	\$65.74
46	\$95.94	\$77.15
47	\$96.61	\$67.11
48	\$94.17	\$74.48
49	\$91.55	\$32.84
50	\$95.07	\$73.73
51	\$95.07	\$85.89
52	\$91.96	\$42.09
53	\$88.12	\$57.56
54	\$90.85	\$63.30
55	\$87.57	\$51.00
56	\$89.61	\$47.16
57	\$86.61	\$72.69
58	\$87.99	\$41.91
59	\$97.82	\$43.53
60	\$84.58	\$51.40
61	\$84.26	n/a
62	\$87.06	\$59.42
63	\$81.92	\$41.05
64	\$85.65	\$79.89
65	\$78.56	\$56.94
66	\$81.73	\$65.19
67	\$83.23	\$53.87
68	\$82.88	\$51.08
69	\$79.21	\$41.41
70	\$80.44	\$57.91
71	\$79.37	\$78.50
72	\$76.04	\$38.45
73	\$80.52	\$41.66
74	\$76.44	\$66.72
75	\$77.06	\$40.03
76	\$76.12	\$77.01
77	\$75.64	\$78.88
78	\$78.68	\$83.12

SWBT--MISSOURI
COMPARISON OF ACTUAL SWBT LOCAL EXCHANGE COST
BY WIRE CENTER TO BCM 2 COSTS BY WIRE CENTER

Exchange #	SWBT Study per Line, per Mo.	BCM2 Study per Line, per Mo.
79	\$75.06	\$65.64
80	\$71.24	\$59.39
81	\$73.81	\$66.19
82	\$80.37	\$49.82
83	\$72.73	\$45.10
84	\$71.66	\$35.35
85	\$71.33	\$60.91
86	\$73.50	\$34.23
87	\$69.50	\$38.41
88	\$71.85	\$35.80
89	\$73.72	\$37.98
90	\$80.22	\$49.28
91	\$73.29	\$71.38
92	\$81.04	\$46.59
93	\$74.22	\$29.78
94	\$76.57	\$54.58
95	\$69.34	\$41.51
96	\$78.16	\$41.21
97	\$67.51	\$48.02
98	\$72.44	\$41.72
99	\$63.23	\$39.45
100	\$68.20	\$34.69
101	\$64.20	\$36.10
102	\$60.17	\$33.56
103	\$70.69	\$50.02
104	\$64.11	\$32.50
105	\$63.75	\$37.82
106	\$58.89	\$38.59
107	\$73.66	\$68.21
108	\$52.69	\$50.69
109	\$79.12	\$38.75
110	\$77.01	\$41.10
111	\$59.43	\$73.59
112	\$70.86	\$39.23
113	\$56.55	\$49.71
114	\$51.06	\$32.41
115	\$50.26	\$56.70
116	\$53.47	\$42.82
117	\$56.72	\$86.18

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COMPARISON OF ACTUAL SWBT LOCAL EXCHANGE COST
BY WIRE CENTER TO BCM 2 COSTS BY WIRE CENTER

Exchange #	SWBT Study per Line, per Mo.	BCM2 Study per Line, per Mo.
118	\$47.34	\$52.54
119	\$55.26	\$34.77
120	\$48.66	\$33.85
121	\$60.53	\$33.95
122	\$52.70	\$29.51
123	\$48.28	\$29.38
124	\$45.68	\$44.09
125	\$51.05	\$33.24
126	\$48.90	\$40.19
127	\$50.09	\$36.71
128	\$52.62	\$29.31
129	\$44.34	\$32.79
130	\$46.76	\$28.56
131	\$42.00	\$41.46
132	\$52.70	\$33.75
133	\$46.24	\$33.55
134	\$67.97	\$44.80
135	\$44.46	\$32.60
136	\$44.43	\$32.84
137	\$44.07	\$44.40
138	\$40.65	\$35.05
139	\$42.18	\$34.18
140	\$39.63	\$30.48
141	\$45.00	\$29.83
142	\$50.19	\$26.06
143	\$39.20	\$45.86
144	\$42.79	\$35.22
145	\$39.41	\$32.81
146	\$42.22	\$34.75
147	\$37.41	\$38.26
148	\$35.30	\$37.92
149	\$39.72	\$29.73
150	\$40.88	\$31.75
151	\$42.85	\$27.80
152	\$40.45	\$27.24
153	\$37.28	\$26.70
154	\$36.24	\$34.49
155	\$44.33	\$25.89
156	\$44.46	\$32.71

SWBT--MISSOURI
COMPARISON OF ACTUAL SWBT LOCAL EXCHANGE COST
BY WIRE CENTER TO BCM 2 COSTS BY WIRE CENTER

Exchange #	SWBT Study per Line, per Mo.	BCM2 Study per Line, per Mo.
157	\$36.30	\$27.81
158	\$37.26	\$28.62
159	\$47.92	\$32.71
160	\$38.14	\$27.00
161	\$36.79	\$27.49
162	\$36.17	\$25.03
163	\$36.16	\$27.80
164	\$30.51	\$24.72
165	\$35.72	\$27.68
166	\$38.69	\$29.15
167	\$38.65	\$27.54
168	\$45.83	\$27.63
169	\$32.81	\$28.65
170	\$32.99	\$26.08
171	\$35.86	\$25.29
172	\$30.68	\$29.26
173	\$28.28	\$31.98
174	\$37.01	\$25.87
175	\$49.58	\$28.01
176	\$40.49	\$29.37
177	\$26.44	\$30.44
178	\$28.74	\$27.48
179	\$26.25	\$26.62
180	\$27.46	\$26.55
181	\$25.09	\$26.32
182	\$27.83	\$23.05
183	\$23.48	\$26.12
184	\$23.95	n/a
185	\$20.75	\$26.08
186	\$26.26	\$23.34
187	\$33.39	\$24.10
188	\$37.49	\$27.83
189	\$26.54	\$26.13
190	\$21.98	\$23.69
191	\$22.57	\$32.06
192	\$17.60	\$23.79
193	\$30.12	\$23.20
194	\$25.77	\$24.29
195	\$24.05	\$22.01

SWBT--MISSOURI
COMPARISON OF ACTUAL SWBT LOCAL EXCHANGE COST
BY WIRE CENTER TO BCM 2 COSTS BY WIRE CENTER

Exchange #	SWBT Study per Line, per Mo.	BCM2 Study per Line, per Mo.
196	\$23.95	\$24.44
197	\$27.01	\$26.94
198	\$33.75	\$23.09
199	\$32.60	\$22.15
200	\$24.39	\$24.31
201	\$17.41	\$30.36
202	\$39.44	\$22.85
203	\$19.52	\$21.59
204	\$25.12	\$24.55
205	\$23.86	\$22.33
206	\$28.65	\$23.37
207	\$36.19	\$15.73
208	\$17.54	\$24.50
209	\$21.92	\$19.97
210	\$21.62	\$18.91
211	\$14.77	\$21.69
212	\$25.93	\$16.08

PACIFIC BELL/INDETEC COST PROXY MODEL **CANNOT BE EVALUATED**

SWBT purchased model output for Texas and compared it with SWBT's actual cost study. However, the model logic is proprietary and not available for review. Consequently, SWBT is unable to determine why the model produces differing results from actuals.

COMPARISON OF ACTUAL INVESTMENT TO BCM2 & CPM

Investment per line in Dollars

WC #	SWBT ACTUAL STUDY	Preliminary BCM2 Results	BCM2 as a Percent of ACTUAL	Preliminary CPM Results	CPM as a Percent of ACTUAL
36	1.894.30	1.101.67	58.16%	1.875.18	98.99%
37	1.174.48	853.64	72.68%	1.195.85	101.82%
38	1.794.21	1.075.39	59.94%	1.672.39	93.21%
39	684.34	531.12	77.61%	781.30	114.17%
40	3.250.33	1.812.77	55.77%	2.498.70	76.88%
41	4.265.52	2.863.18	67.12%	7.402.91	173.55%
42	1.599.42	1.191.48	74.49%	1.587.66	99.26%
43	2.863.52	2.739.04	95.65%	1.727.91	60.34%
44	770.25	730.18	94.80%	1.216.03	157.88%
45	2.771.43	3.224.51	116.35%	4.574.71	165.07%
46	2.094.10	2.345.14	111.99%	1.938.16	92.55%
47	1.353.40	1.461.61	108.00%	1.855.12	137.07%
48	2.288.07	2.261.30	98.83%	3.209.15	140.26%
49	3.867.88	1.995.30	51.59%	7.078.23	183.00%
50	1.568.29	1.201.96	76.64%	1.412.01	90.03%
51	1.468.01	1.033.52	70.40%	1.917.57	130.62%
52	1.356.99	856.71	63.13%	1.547.66	114.05%
53	1.727.67	1.003.78	58.10%	1.112.02	64.37%
54	1.725.29	1.134.92	65.78%	1.393.55	80.77%
55	690.46	714.16	103.43%	789.27	114.31%
56	1.015.18	886.93	87.37%	1.302.03	128.26%
57	2.158.47	1.934.68	89.63%	1.895.33	87.81%
58	1.232.32	1.109.97	90.07%	1.437.98	116.69%
59	828.80	802.17	96.79%	1.027.30	123.95%
60	3.752.69	1.790.21	47.70%	2.281.10	60.79%
61	2.009.91	1.429.33	71.11%	1.408.38	70.07%
62	854.83	975.18	114.08%	1.463.10	171.16%
63	3.854.41	2.836.92	73.60%	9.081.94	235.62%
64	2.495.43	3.816.00	152.92%	4.277.63	171.42%
65	764.90	767.33	100.32%	1.313.95	171.78%
66	894.69	868.46	97.07%	1.106.62	123.69%
67	1.154.44	1.065.11	92.26%	1.456.88	126.20%
68	1.808.30	1.148.56	63.52%	1.360.52	75.24%
69	2.838.80	1.520.67	53.57%	3.026.82	106.62%
70	1.387.40	1.644.49	118.53%	1.605.40	115.71%

COMPARISON OF ACTUAL INVESTMENT TO BCM2 & CPM

Investment per line in Dollars

WC #	SWBT ACTUAL STUDY	Preliminary BCM2 Results	BCM2 as a Percent of ACTUAL	Preliminary CPM Results	CPM as a Percent of ACTUAL
71	1,985.39	2,208.86	111.26%	2,361.55	118.95%
72	1,646.19	1,000.28	60.76%	1,282.57	77.91%
73	2,669.53	3,924.68	147.02%	7,056.51	264.34%
74	1,335.57	1,103.71	82.64%	1,447.66	108.39%
75	4,216.75	2,822.24	66.93%	2,512.06	59.57%
76	899.92	666.42	74.05%	944.35	104.94%
77	843.43	918.88	108.95%	1,268.22	150.37%
78	1,303.13	1,190.78	91.38%	1,333.47	102.33%
79	2,310.09	1,585.36	68.63%	1,412.25	61.13%
80	1,330.43	1,052.96	79.14%	1,227.98	92.30%
81	967.61	1,233.57	127.49%	1,829.71	189.10%
82	683.27	928.85	135.94%	1,173.44	171.74%
83	1,959.51	1,206.67	61.58%	1,890.45	96.48%
84	953.81	903.19	94.69%	1,233.75	129.35%
85	1,937.54	2,090.47	107.89%	4,150.16	214.20%
86	1,858.50	2,053.01	110.47%	1,927.73	103.72%
87	2,834.64	2,480.41	87.50%	2,553.49	90.08%
88	1,673.59	938.26	56.06%	1,389.88	83.05%
89	4,482.28	3,269.56	72.94%	2,600.49	58.02%
90	1,194.78	864.09	72.32%	1,212.00	101.44%
91	1,002.11	951.03	94.90%	1,272.34	126.97%
92	2,018.63	1,388.06	68.76%	1,654.50	81.96%
93	1,127.84	885.72	78.53%	1,200.22	106.42%
94	1,570.10	1,248.41	79.51%	1,702.72	108.45%
95	850.82	910.98	107.07%	1,179.48	138.63%
96	5,049.45	1,838.86	36.42%	2,059.64	40.79%
97	796.37	734.00	92.17%	1,078.56	135.44%
98	2,925.76	1,147.71	39.23%	2,759.78	94.33%
99	944.98	719.87	76.18%	999.14	105.73%
100	1,230.80	1,121.37	91.11%	1,352.57	109.89%
101	1,823.88	1,121.79	61.51%	1,474.81	80.86%
102	671.96	554.58	82.53%	941.63	140.13%
103	2,395.11	1,858.68	77.60%	2,579.66	107.71%
104	1,396.45	1,158.11	82.93%	1,286.23	92.11%
105	876.99	1,148.14	130.92%	1,293.24	147.46%

COMPARISON OF ACTUAL INVESTMENT TO BCM2 & CPM

Investment per line in Dollars

WC #	SWBT ACTUAL STUDY	Preliminary BCM2 Results	BCM2 as a Percent of ACTUAL	Preliminary CPM Results	CPM as a Percent of ACTUAL
106	2,266.71	1,191.42	52.56%	1,115.12	49.20%
107	1,733.35	2,592.71	149.58%	1,778.06	102.58%
108	1,800.23	1,528.80	84.92%	1,482.76	82.37%
109	2,682.17	1,838.55	68.55%	2,042.13	76.14%
110	5,299.36	5,069.01	95.65%	6,983.20	131.77%
111	3,235.70	2,774.83	85.76%	2,294.70	70.92%
112	868.59	1,180.69	135.93%	1,436.69	165.41%
113	1,369.35	2,686.64	196.20%	2,761.08	201.63%
114	2,169.90	1,300.76	59.95%	2,112.23	97.34%
115	3,179.94	4,418.82	138.96%	2,654.76	83.48%
116	2,694.79	1,642.96	60.97%	3,240.55	120.25%
117	874.03	2,004.62	229.35%	1,420.57	162.53%
118	1,016.09	914.01	89.95%	1,276.92	125.67%
119	1,799.67	1,723.63	95.78%	1,656.40	92.04%
120	3,561.64	2,710.79	76.11%	1,809.33	50.80%
121	1,319.44	1,116.02	84.58%	1,591.04	120.58%
122	1,307.36	1,456.87	111.44%	2,264.52	173.21%
123	779.10	909.38	116.72%	1,014.65	130.23%
124	1,165.18	797.01	68.40%	1,101.85	94.57%
125	619.10	722.54	116.71%	870.07	140.54%
126	2,049.10	1,987.45	96.99%	2,932.18	143.10%
127	3,417.65	6,352.85	185.88%	6,193.93	181.23%
128	1,008.27	843.49	83.66%	1,098.18	108.92%
129	834.71	724.23	86.76%	937.45	112.31%
130	1,663.73	1,119.60	67.29%	1,864.79	112.09%
131	1,703.47	2,101.62	123.37%	2,137.78	125.50%
132	1,876.97	3,579.18	190.69%	6,032.67	321.40%
133	945.32	959.60	101.51%	1,367.88	144.70%
134	1,829.03	1,559.66	85.27%	2,439.83	133.39%
135	5,425.22	3,179.70	58.61%	6,211.43	114.49%
136	1,772.70	1,046.84	59.05%	1,358.73	76.65%
137	1,121.80	905.04	80.68%	1,343.48	119.76%
138	1,425.28	983.23	68.98%	958.54	67.25%
139	1,628.34	1,752.69	107.64%	1,968.95	120.92%
140	2,169.21	1,358.80	62.64%	1,612.27	74.33%

COMPARISON OF ACTUAL INVESTMENT TO BCM2 & CPM

Investment per line in Dollars

WC #	SWBT ACTUAL STUDY	Preliminary BCM2 Results	BCM2 as a Percent of ACTUAL	Preliminary CPM Results	CPM as a Percent of ACTUAL
141	1,378.87	1,030.98	74.77%	1,093.98	79.34%
142	2,070.61	1,687.01	81.47%	1,435.26	69.32%
143	1,976.92	1,698.47	85.91%	1,803.56	91.23%
144	2,032.17	1,960.78	96.49%	2,582.69	127.09%
145	1,334.59	1,605.03	120.26%	1,508.31	113.02%
146	518.73	834.71	160.91%	1,327.45	255.90%
147	1,577.91	804.26	50.97%	1,181.32	74.87%
148	750.35	864.48	115.21%	1,125.40	149.98%
149	1,434.36	889.05	61.98%	1,215.86	84.77%
150	2,124.25	2,804.20	132.01%	5,680.35	267.40%
151	900.25	985.20	109.44%	1,118.67	124.26%
152	2,329.59	2,165.58	92.96%	2,194.33	94.19%
153	1,370.01	1,082.96	79.05%	1,630.32	119.00%
154	925.52	1,110.33	119.97%	1,593.07	172.13%
155	2,541.37	1,712.87	67.40%	2,423.23	95.35%
156	3,809.87	1,444.57	37.92%	1,576.76	41.39%
157	1,698.18	898.70	52.92%	1,547.79	91.14%
158	1,810.90	2,201.95	121.59%	2,908.41	160.61%
159	1,766.88	1,051.09	59.49%	1,507.60	85.33%
160	852.06	766.04	89.90%	1,067.71	125.31%
161	1,498.22	813.87	54.32%	1,466.96	97.91%
162	2,833.56	971.97	34.30%	1,207.57	42.62%
163	839.63	773.98	92.18%	1,116.93	133.03%
164	1,905.79	1,393.42	73.12%	1,224.31	64.24%
165	1,880.14	1,016.33	54.06%	1,890.48	100.55%
166	1,037.51	1,088.80	104.94%	1,250.20	120.50%
167	853.85	1,072.68	125.63%	1,447.05	169.47%
168	1,061.93	803.18	75.63%	1,073.56	101.10%
169	426.00	537.01	126.06%	952.57	223.61%
170	3,819.63	1,935.64	50.68%	5,723.27	149.84%
171	1,457.06	1,491.85	102.39%	1,698.58	116.58%
172	2,662.10	1,308.83	49.17%	1,675.86	62.95%
173	1,737.02	1,086.14	62.53%	1,521.04	87.57%
174	3,203.19	3,261.12	101.81%	5,345.03	166.87%
175	1,357.11	1,485.42	109.45%	1,731.29	127.57%

COMPARISON OF ACTUAL INVESTMENT TO BCM2 & CPM

Investment per line in Dollars

WC #	SWBT ACTUAL STUDY	Preliminary BCM2 Results	BCM2 as a Percent of ACTUAL	Preliminary CPM Results	CPM as a Percent of ACTUAL
176	762.69	974.08	127.72%	1,582.71	207.52%
177	1,992.95	1,031.48	51.76%	1,494.63	75.00%
178	1,399.53	1,240.46	88.63%	1,875.26	133.99%
179	2,770.03	2,256.27	81.45%	2,867.41	103.52%
180	1,205.88	854.60	70.87%	1,039.60	86.21%
181	2,028.38	2,420.09	119.31%	2,143.07	105.65%
182	1,195.28	918.76	76.87%	1,448.93	121.22%
183	3,386.86	2,260.83	66.75%	2,438.44	72.00%
184	1,063.30	495.48	46.60%	1,252.79	117.82%
185	2,615.30	1,667.65	63.77%	2,225.95	85.11%
186	3,033.53	3,457.00	113.96%	5,368.16	176.96%
187	1,257.07	1,006.07	80.03%	1,409.17	112.10%
188	1,983.65	1,955.28	98.57%	1,949.78	98.29%
189	1,537.52	1,127.20	73.31%	1,455.84	94.69%
190	1,306.28	908.39	69.54%	1,087.54	83.25%
191	2,199.01	1,600.12	72.77%	1,900.40	86.42%
192	1,846.14	1,219.10	66.04%	1,237.16	67.01%
193	1,578.46	921.11	58.35%	1,307.81	82.85%
194	1,467.05	1,440.88	98.22%	2,039.81	139.04%
195	4,329.99	3,018.71	69.72%	7,215.36	166.64%
196	2,770.69	1,268.45	45.78%	1,303.48	47.05%
197	1,110.18	1,091.79	98.34%	1,237.14	111.44%
198	2,489.31	1,303.93	52.38%	1,780.98	71.55%
199	1,554.33	893.91	57.51%	1,383.87	89.03%
200	1,367.02	944.66	69.10%	1,373.60	100.48%
201	4,361.88	1,757.07	40.28%	2,661.41	61.02%
202	1,596.57	2,187.77	137.03%	2,922.11	183.02%
203	964.61	1,059.43	109.83%	1,241.14	128.67%
204	3,266.83	1,368.44	41.89%	2,453.24	75.10%
205	2,267.59	2,057.25	90.72%	1,868.45	82.40%
206	837.01	908.22	108.51%	1,214.48	145.10%
207	8,008.97	4,344.88	54.25%	4,471.02	55.83%
208	958.62	952.70	99.38%	1,327.28	138.46%
209	1,049.00	974.31	92.88%	1,440.37	137.31%
210	882.66	865.84	98.09%	1,497.17	169.62%

COMPARISON OF ACTUAL INVESTMENT TO BCM2 & CPM

Investment per line in Dollars

WC #	SWBT ACTUAL STUDY	Preliminary BCM2 Results	BCM2 as a Percent of ACTUAL	Preliminary CPM Results	CPM as a Percent of ACTUAL
211	10.189.41	5.524.22	54.22%	6.303.38	61.86%
212	2.321.87	1.916.62	82.55%	2.641.82	113.78%
213	1.873.29	2.147.44	114.63%	2.977.95	158.97%
214	2.170.75	1.737.86	80.06%	2.171.15	100.02%
215	1.998.89	2.421.41	121.14%	2.589.87	129.57%
216	2.158.38	3.320.08	153.82%	3.743.97	173.46%
217	1.589.42	1.104.44	69.49%	3.863.78	243.09%
218	13.478.47	9.451.04	70.12%	11.820.29	87.70%
219	2.259.94	1.664.22	73.64%	1.534.95	67.92%
220	1.348.77	1.056.24	78.31%	1.413.80	104.82%
221	1.958.07	1.290.68	65.92%	2.006.10	102.45%
222	1.412.14	957.93	67.84%	1.040.08	73.65%
223	1.958.40	1.427.22	72.88%	1.892.83	96.65%
224	2.999.96	3.896.23	129.88%	15.001.18	500.05%
225	1.769.57	1.238.83	70.01%	1.760.84	99.51%
226	2.266.21	1.210.03	53.39%	1.438.23	63.46%
227	1.653.13	1.156.20	69.94%	8.217.01	497.06%
228	2.624.38	1.802.84	68.70%	2.505.67	95.48%
229	1.436.27	1.009.57	70.29%	1.370.23	95.40%
230	902.50	896.86	99.38%	1.109.03	122.88%
231	2.303.16	1.072.81	46.58%	1.720.42	74.70%
232	1.344.43	1.325.16	98.57%	1.480.38	110.11%
233	2.729.11	3.045.94	111.61%	4.016.67	147.18%
234	3.100.51	2.018.42	65.10%	2.741.83	88.43%
235	1.591.83	1.179.41	74.09%	1.363.85	85.68%
236	3.253.89	1.908.01	58.64%	2.877.36	88.43%
237	924.32	880.21	95.23%	1.288.14	139.36%
238	1.769.50	2.486.36	140.51%	3.002.08	169.66%
239	1.140.84	710.13	62.25%	884.37	77.52%
240	1.078.41	931.26	86.35%	1.341.88	124.43%
241	2.967.72	1.968.32	66.32%	1.272.94	42.89%
242	2.681.93	1.923.29	71.71%	3.123.32	116.46%
243	2.236.12	2.036.05	91.05%	1.442.51	64.51%
244	2.072.30	2.957.80	142.73%	2.549.28	123.02%
245	1.209.67	522.80	43.22%	1.054.88	87.20%

COMPARISON OF ACTUAL INVESTMENT TO BCM2 & CPM

Investment per line in Dollars

WC #	SWBT ACTUAL STUDY	Preliminary BCM2 Results	BCM2 as a Percent of ACTUAL	Preliminary CPM Results	CPM as a Percent of ACTUAL
246	2,265.09	1,751.11	77.31%	1,945.79	85.90%
247	1,273.06	933.77	73.35%	1,148.11	90.18%
248	1,960.68	1,900.68	96.94%	2,048.02	104.45%
249	1,561.14	1,039.65	66.60%	1,467.18	93.98%
250	1,048.07	992.70	94.72%	1,319.71	125.92%
251	2,249.83	1,318.52	58.61%	1,900.22	84.46%
252	2,549.18	1,611.58	63.22%	1,503.94	59.00%
253	1,888.55	1,544.54	81.78%	2,376.95	125.86%
254	934.61	965.79	103.34%	1,238.19	132.48%
255	1,358.87	1,855.30	136.53%	2,083.66	153.34%
256	1,095.07	1,058.97	96.70%	1,413.84	129.11%
257	2,259.57	1,694.38	74.99%	2,218.40	98.18%
258	1,865.51	1,983.19	106.31%	1,968.29	105.51%
259	1,609.56	2,219.34	137.88%	2,080.11	129.23%
260	996.47	895.97	89.91%	1,205.59	120.99%
261	1,263.31	1,054.93	83.51%	1,695.15	134.18%
262	4,124.95	4,123.00	99.95%	1,877.12	45.51%
263	1,901.68	1,628.50	85.63%	2,181.53	114.72%
264	1,737.47	1,304.48	75.08%	1,729.45	99.54%
265	1,019.36	2,320.09	227.60%	2,075.64	203.62%
266	1,692.24	2,779.55	164.25%	4,256.18	251.51%
267	2,077.16	2,147.93	103.41%	3,124.13	150.40%
268	1,098.24	1,292.69	117.71%	1,443.73	131.46%
269	912.92	861.79	94.40%	1,072.38	117.47%
270	1,185.28	653.41	55.13%	1,148.53	96.90%
271	882.42	796.18	90.23%	1,214.16	137.59%
272	1,754.40	1,169.60	66.67%	1,649.76	94.04%
273	1,750.70	1,655.62	94.57%	4,326.71	247.14%
274	2,931.43	1,290.99	44.04%	2,119.80	72.31%
275	1,954.71	2,183.64	111.71%	2,790.40	142.75%
276	1,761.05	1,023.69	58.13%	1,195.23	67.87%
277	772.86	858.05	111.02%	1,371.24	177.42%
278	1,938.55	1,589.10	81.97%	2,250.88	116.11%
279	2,272.78	1,489.67	65.54%	1,719.27	75.65%
280	1,342.95	1,118.75	83.31%	1,243.67	92.61%

COMPARISON OF ACTUAL INVESTMENT TO BCM2 & CPM

Investment per line in Dollars

WC #	SWBT ACTUAL STUDY	Preliminary BCM2 Results	BCM2 as a Percent of ACTUAL	Preliminary CPM Results	CPM as a Percent of ACTUAL
281	2,050.06	2,059.06	100.44%	2,817.05	137.41%
282	1,927.00	1,573.40	81.65%	1,770.07	91.86%
283	816.24	802.34	98.30%	1,186.50	145.36%
284	940.52	960.49	102.12%	1,255.15	133.45%
285	3,255.70	1,968.36	60.46%	2,902.25	89.14%
286	2,286.52	2,106.76	92.14%	3,144.47	137.52%
287	3,236.84	1,562.95	48.29%	1,991.46	61.52%
288	2,544.73	2,436.52	95.75%	2,074.22	81.51%
289	2,747.82	1,996.91	72.67%	1,779.36	64.76%
290	1,022.31	930.10	90.98%	1,235.90	120.89%
291	3,891.48	2,091.74	53.75%	2,611.71	67.11%
292	1,783.02	972.04	54.52%	1,093.39	61.32%
293	911.75	776.55	85.17%	1,082.61	118.74%
294	917.65	939.88	102.42%	1,288.70	140.44%
295	2,172.49	1,851.04	85.20%	1,822.52	83.89%
296	523.83	869.52	165.99%	1,048.77	200.21%
297	2,894.16	2,073.18	71.63%	2,806.67	96.98%
298	3,269.66	3,114.68	95.26%	6,245.31	191.01%
299	3,303.43	1,489.19	45.08%	2,497.90	75.62%
300	3,160.94	3,516.84	111.26%	2,346.44	74.23%
301	5,507.96	4,753.40	86.30%	8,352.85	151.65%
302	1,015.39	831.88	81.93%	1,168.15	115.04%
303	2,374.57	1,816.39	76.49%	2,302.03	96.95%
304	1,484.45	1,755.62	118.27%	1,989.78	134.04%
305	1,307.81	957.52	73.22%	1,652.96	126.39%
306	951.03	829.29	87.20%	743.44	78.17%
307	2,429.62	2,031.75	83.62%	2,926.28	120.44%
308	1,112.20	1,511.23	135.88%	1,972.83	177.38%
309	3,291.14	1,072.75	32.60%	1,634.00	49.65%
310	1,635.86	1,055.71	64.54%	1,325.97	81.06%
311	750.56	592.39	78.93%	859.82	114.56%
312	5,618.29	2,945.87	52.43%	4,456.78	79.33%
313	1,577.23	1,418.68	89.95%	1,871.12	118.63%
314	1,004.30	714.36	71.13%	1,386.54	138.06%
315	1,177.87	846.33	71.85%	1,832.34	155.56%

COMPARISON OF ACTUAL INVESTMENT TO BCM2 & CPM

Investment per line in Dollars

WC #	SWBT ACTUAL STUDY	Preliminary BCM2 Results	BCM2 as a Percent of ACTUAL	Preliminary CPM Results	CPM as a Percent of ACTUAL
316	1,766.41	1,405.89	79.59%	1,895.53	107.31%
317	1,891.88	1,527.06	80.72%	2,218.36	117.26%
318	1,443.22	1,099.63	76.19%	1,285.50	89.07%
319	2,381.28	980.76	41.19%	1,911.67	80.28%
320	983.87	1,069.47	108.70%	1,257.06	127.77%
321	1,227.25	1,503.74	122.53%	1,649.82	134.43%
322	1,519.01	1,364.45	89.82%	1,394.07	91.77%
323	666.98	970.68	145.54%	1,010.33	151.48%
324	2,439.81	1,872.01	76.73%	1,298.36	53.22%
325	1,542.99	1,136.72	73.67%	1,565.95	101.49%
326	1,793.75	1,171.00	65.28%	1,443.99	80.50%
327	1,309.90	1,054.16	80.48%	1,179.44	90.04%
328	2,431.85	2,061.63	84.78%	1,631.74	67.10%
329	1,797.08	1,423.23	79.20%	1,781.32	99.12%
330	1,434.91	1,568.20	109.29%	1,546.75	107.79%
331	2,814.43	1,959.01	69.61%	6,937.89	246.51%
332	1,431.29	974.01	68.05%	1,359.58	94.99%
333	1,904.23	1,263.80	66.37%	1,462.26	76.79%
334	3,005.37	1,963.27	65.33%	11,334.70	377.15%
335	763.64	974.00	127.55%	1,320.13	172.87%
336	1,095.45	887.43	81.01%	1,354.69	123.66%
337	1,803.08	1,155.28	64.07%	1,219.63	67.64%
338	3,027.48	3,156.38	104.26%	6,445.26	212.89%
339	1,832.26	803.70	43.86%	1,012.72	55.27%
340	1,525.24	1,012.53	66.38%	1,908.10	125.10%
341	1,670.45	1,029.51	61.63%	1,511.93	90.51%
342	738.57	859.34	116.35%	1,073.55	145.35%
343	3,251.51	2,575.03	79.19%	1,870.80	57.54%
344	4,967.91	2,371.59	47.74%	3,131.74	63.04%
345	1,455.83	2,505.78	172.12%	2,680.21	184.10%
346	2,361.42	999.60	42.33%	1,222.51	51.77%
347	1,893.56	1,159.51	61.23%	1,380.44	72.90%
348	2,236.73	936.58	41.87%	1,569.53	70.17%
349	934.48	1,044.30	111.75%	1,154.67	123.56%
350	1,712.71	2,556.41	149.26%	1,677.91	97.97%

COMPARISON OF ACTUAL INVESTMENT TO BCM2 & CPM

Investment per line in Dollars

WC #	SWBT ACTUAL STUDY	Preliminary BCM2 Results	BCM2 as a Percent of ACTUAL	Preliminary CPM Results	CPM as a Percent of ACTUAL
351	2,342.39	1,653.98	70.61%	1,467.90	62.67%
352	737.40	625.55	84.83%	1,179.59	159.97%
353	3,945.39	2,202.22	55.82%	4,183.44	106.03%
354	2,249.97	1,221.97	54.31%	1,633.08	72.58%
355	4,466.91	3,530.69	79.04%	4,789.85	107.23%
356	1,722.85	1,123.66	65.22%	1,730.73	100.46%
357	1,764.07	871.73	49.42%	1,296.14	73.47%
358	1,566.53	1,104.89	70.53%	1,523.07	97.23%
359	1,410.73	941.92	66.77%	1,455.34	103.16%
360	2,135.79	1,908.09	89.34%	2,742.16	128.39%
361	1,274.57	1,056.34	82.88%	1,376.97	108.03%
362	512.66	2,058.17	401.47%	3,012.00	587.52%
363	1,175.43	1,605.14	136.56%	1,274.72	108.45%
364	2,432.48	2,626.35	107.97%	2,723.84	111.98%
365	695.67	916.27	131.71%	1,246.62	179.20%
366	1,104.18	1,109.88	100.52%	1,376.62	124.67%
367	1,093.47	1,598.60	146.20%	1,416.17	129.51%
368	2,051.98	3,034.36	147.87%	2,342.74	114.17%
369	1,525.78	969.46	63.54%	1,773.03	116.20%
370	2,536.64	1,033.63	40.75%	1,660.12	65.45%
371	1,047.30	952.55	90.95%	1,311.09	125.19%
372	3,994.35	1,819.83	45.56%	3,287.81	82.31%
373	2,164.68	1,768.38	81.69%	2,393.13	110.55%
374	812.18	921.74	113.49%	1,267.23	156.03%
375	1,716.84	799.93	46.59%	1,174.48	68.41%
376	1,399.67	1,265.25	90.40%	1,626.18	116.18%
377	2,245.74	1,662.28	74.02%	1,745.42	77.72%
378	2,512.57	1,753.23	69.78%	2,503.27	99.63%
379	1,210.51	640.96	52.95%	1,105.68	91.34%
380	1,342.19	1,276.43	95.10%	1,596.46	118.94%
381	1,405.08	1,928.56	137.26%	2,088.66	148.65%
382	1,369.30	1,070.22	78.16%	1,288.78	94.12%
383	2,128.35	1,608.66	75.58%	2,081.92	97.82%
384	2,840.90	899.25	31.65%	1,156.46	40.71%
385	845.51	594.51	70.31%	859.71	101.68%

COMPARISON OF ACTUAL INVESTMENT TO BCM2 & CPM

Investment per line in Dollars

WC #	SWBT ACTUAL STUDY	Preliminary BCM2 Results	BCM2 as a Percent of ACTUAL	Preliminary CPM Results	CPM as a Percent of ACTUAL
386	2.045.09	1.687.30	82.50%	2.023.88	98.96%
387	1.672.69	1.129.01	67.50%	1.499.81	89.66%
388	778.18	445.53	57.25%	1.146.99	147.39%
389	1.285.54	966.76	75.20%	1.189.52	92.53%
390	2.351.54	1.875.86	79.77%	1.697.69	72.19%
391	2.047.61	2.402.99	117.36%	2.545.14	124.30%
392	1.034.82	838.21	81.00%	1.188.27	114.83%
393	1.584.86	2.123.26	133.97%	3.240.90	204.49%
394	2.692.70	2.047.29	76.03%	6.157.03	228.66%
395	1.039.61	946.80	91.07%	1.130.46	108.74%
396	1.337.54	1.138.32	85.11%	1.127.38	84.29%
397	1.161.02	840.85	72.42%	1.348.57	116.15%
398	2.437.64	1.795.60	73.66%	1.851.46	75.95%
399	4.089.00	1.711.64	41.86%	1.151.89	28.17%
400	1,202.71	1,054.64	87.69%	1,352.06	112.42%
401	5,444.81	3,658.53	67.19%	10,169.65	186.78%
402	1,434.46	1,151.08	80.24%	1,571.51	109.55%
403	874.59	857.07	98.00%	1,090.07	124.64%
404	1,109.84	975.30	87.88%	1,156.82	104.23%
405	2,120.96	1,892.02	89.21%	2,831.17	133.49%
406	1,873.00	1,394.19	74.44%	1,594.09	85.11%
407	875.10	717.35	81.97%	1,075.70	122.92%
408	1,803.71	2,251.93	124.85%	2,253.73	124.95%
409	1,901.56	938.28	49.34%	1,360.38	71.54%
410	999.90	821.42	82.15%	1,330.84	133.10%
411	909.11	1,139.03	125.29%	1,445.52	159.00%
412	1,043.31	785.25	75.26%	1,358.16	130.18%
413	2,408.44	1,606.40	66.70%	1,840.40	76.41%
414	2,107.70	1,958.35	92.91%	2,336.61	110.86%
415	1,067.13	948.30	88.86%	1,344.09	125.95%
416	515.94	1,163.91	225.59%	1,923.69	372.85%
417	738.57	433.07	58.64%	1,177.58	159.44%
418	2,165.61	2,212.96	102.19%	2,564.89	118.44%
419	1,445.14	1,410.68	97.62%	1,542.06	106.71%
420	1,537.45	979.33	63.70%	1,144.68	74.45%

A COMPREHENSIVE FEDERAL AND STATE UNIVERSAL SERVICE PLAN

- I. Fundamental principles:
 - A. Universal Service mechanisms must be designed separately for the federal and state jurisdictions. State regulators should retain the right and the flexibility to design intrastate universal service mechanisms responsive to that state's particular needs.
 - B. Facilities which interconnect customers are the backbone of universal service. Incumbent local exchange providers, which are the carriers of last resort, must retain current revenue support either through explicit support or rebalancing in order to maintain the universally available network.

A COMPREHENSIVE FEDERAL AND STATE UNIVERSAL SERVICE PLAN

(continued)

II. Federal Eligibility/Qualification Criteria

A. Offer all federal defined universal services in an area using either its own facilities or a combination of its own facilities and resale of another carrier's service.

[47 U.S.C. 214(e)(1)(A)]

B. Advertise the availability of the services and charges in the area using media of general distribution.

[47 U.S.C. 214(e)(1)(B)]

C. Such other principles as the Joint Board and the Commission determine are necessary and appropriate for the protection of the public interest, convenience, and necessity and are consistent with this Act.

[47 U.S.C. 254(b)(7)]

A State may adopt regulations not inconsistent with the Commission's rules to preserve and advance universal service. [47 U.S.C. 254(f)]

A COMPREHENSIVE FEDERAL AND STATE UNIVERSAL SERVICE PLAN

(continued)

The following additional criteria are required for competitively neutral and non-discriminatory fund distributions:

- A. Have similar regulatory obligations (i.e., meet quality of service, rate averaging, costing, etc., requirements).
- B. Receive support in the incumbent is receiving explicit support for an area. If the incumbent is not receiving explicit support, then no support barrier to entry exists. Consequently, no competitor in an area should receive support and market forces should be allowed to operate.
- C. Receive support in an area for the portion of its network for which it provides its own facilities from the switch to the customer's premise. Explicit support for resold services or facilities should not be provided to the reseller, but to the provider of the underlying facilities to the customer.

A COMPREHENSIVE FEDERAL AND STATE **UNIVERSAL SERVICE PLAN**

(continued)

III. Universal Service Area.

- A. Appropriate area is wire center or exchange (study area for rural telephone companies).**
 - Consistent with the current basic local service rate area.

- B. Zones as proposed by AT&T are inappropriate.**
 - Create huge rural Universal Service area --- for Missouri: 19,948 square miles.
 - Would overlap numerous incumbent LEC Universal Service local rate exchange areas.

- C. Census Block Groups are inappropriate.**
 - Would overlap differing incumbent LEC Universal Service local rate exchange areas.
 - Difficult to administer --- 5,059 Census Block Groups in Missouri versus 213 exchange areas.

A COMPREHENSIVE FEDERAL AND STATE UNIVERSAL SERVICE PLAN

(continued)

IV. SWBT's Proposed Federal Universal Service Plan --- Joint Board and FCC.

- A. Establish overall basic residential universal service affordability benchmark rate level --- one percent of each state's median income. For Pennsylvania, this is \$26.72 per line per month.¹**
- B. Establish the federal end user common line charge as the federal portion of the overall benchmark --- currently \$3.50 for residential customers.**
- C. Restructure existing federal support [Carrier Common Line (CCL), Long Term Support (LTS)]:**
 - 1. Actual incumbent LEC interstate local exchange loop costs by exchange or wire center which are above the EUCL would be assigned to a federal fund. If actual costs by wire center are not available, disaggregate actual study area costs to exchange using proxy costs.**
 - 2. If the EUCL is increased, the federal benchmark would increase and the federal fund size would be decreased. If the EUCL is raised to the level that recovers the total LTS and CCL for the LEC, then all federal CCL and LTS support for that LEC would be eliminated.**

¹Based on 1994 Median Incomes for Non-Rural Telephone Companies, U.S. Bureau of the Census, Current Population Reports.

A COMPREHENSIVE FEDERAL AND STATE UNIVERSAL SERVICE PLAN

(continued)

3. On a revenue neutral basis, new LEC federal support revenues plus any EUCL revenue increases would be used to reduce their federal carrier common line and long term support requirements.
- D. Reduce intrastate toll rates by the level of access reductions.
- E. Increase Lifeline support to match increases in EUCL, if any.
- F. Receipt of federal support by qualified new entrants. The following options are available:
 1. Require the new entrant to cost justify its support.
 2. New entrants would receive the same level of support for facilities it constructs to customers, as received by incumbent. This would eliminate barrier-to-entry for new facilities-based local service universal service provider and continue to provide support to the incumbent LEC for its carrier of last resort responsibilities.
 3. Provide portable support at the level per line in the area received by the incumbent to the new universal service entrant where it serves a customer with its own facilities. Incumbent loses the support for the customer and for its carrier of last resort responsibilities.